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Special Session Passes Pipeline Legislation

Assures for the People of Alberta Their Natural Gas Requirements for Present and Future Needs

During the special session of the Alberta Legislative Assembly in the week of July 4th, legislation was passed designed to save for the people of Alberta the natural gas they need for present and future requirments, and to insure the fullest ultimate recovery of the Province's petroleum resources by husbanding the natural gas necessary in the production of oil.

Albertans have long been in the fortunate position of enjoying a convenient and inexpensive fuel supply in natural gas. With the discovery of new reserves of oil and gas in recent years, it was inevitable that consideration be given to possible new uses for natural gas and the extension to consumers in nearby provinces and states of its benefits.

The Dominion government published a report on the natural gas reserves in the Prairie Provinces in 1948, and in November last, the Province appointed a commission to inquire into the reserves of natural gas in Alberta and the present and future requirements of natural gas for domestic, commercial and industrial purposes in Alberta. The existing and proven reserves of natural gas in Alberta was estimated at about 4¼ trillion cubic feet. The amount of this that is available would be considerably less because where gas is produced with oil much of it is needed for conservation purposes to obtain the maximum recovery of oil and because gas is always left when the pressure drops so low that the field is abandoned. The amount of gas used in Alberta in 1947 was over 37¼ million cubic feet, and this figure is expected to rise to 70 million cubic feet by 1960.

The crisis that led to the calling of the special session was caused by pipe line legislation passed by the Dominion Parliament just before ending its session three months ago. The Dominion Act made possible the construction of gas and oil pipe lines subject to the regulation of the Dominion's Board of Transport Commissioners. Amendments that would protect the interests of the people of a Province in the gas resources of that province were urged by the Alberta government at that time, but were rejected by the committee of the House of Commons considering the bill. It was then necessary to take steps in the Province to safeguard these interests.

Eight bills were passed at the special session of the Legislative Assembly, and six of these dealt with the natural gas and oil situation.

The first bill enacted The Gas Resources Preservation Act. It was this that was popularly referred to as The Gas Export Bill. Its object is "to effect the preservation and conservation of the oil and gas resources of the Province and to provide for their effective utilization having regard to the present and future needs of the residents of the Province" and it will operate through The Petroleum and Natural Gas Conservation Board. It makes it necessary for anyone who produces or acquires gas in Alberta and wishes to take it out of the Province for use or consumption elsewhere, to apply for and obtain a permit from the Board. The applicant must supply the Board with all pertinent information such as particulars as to the pools and fields from which the gas is to come, the reserves in such pools and fields, the marketing areas to be served and the number and classifications of consumers in the areas, particulars of the amount of gas required and the peak load, weather records from the marketing area showing conditions affecting peak loads, and the period for which the permit is desired. The Board will hold a hearing to determine if the permit should be granted, and if so, on what terms. Notice of the hearing is given to members of the Legislative Assembly and such other persons as the Board may direct. The Act provides that a permit shall not be granted unless the gas is surplus to the present and future needs of the people of the Province. A permit holder wishing to renew the permit may apply at least six months before it expires, and the application for renewal is subject to the same provisions as the original application. Permits will be granted only on terms which may include specifications as to the sources of gas available, the maximum quantities and peak loads, conditions under which the gas supply may be reduced or interrupted, the requirement that the permittee supply gas to possible customers in the Province handy to his pipe line, and the requirement that he acquire gas ratably from the producers in the pools supplying him. Other provisions in the Act make it possible for the Board to divert the permittee's gas supply where necessary to meet an emergency in the Province, provide for a hearing to review the conditions of a permit where circumstances require it, and prohibit the receipt for shipment out of the Province of gas not covered by a permit. The Act anticipates the possibility that a network of pipe lines within the Province may be developed, and would make it possible to interchange and divert gas supplies should this happen. Other clauses in the Act provide the Board with the necessary procedural powers to carry out its hearings and provide penalties for breach of the Act. All decisions of the Board under this Act must have the approval of the Lieutenant Governor in Council.

Two former statutes were repealed by the special session. The Natural Gas Utilities and The Pipe Line Regulation Act were repealed when Bills 5 and 6 were enacted, and the powers given in those Acts were divided between The Petroleum and Natural Gas Conservation Board and The Board of Public Utilities Commissioners by Bills 2 and and 3 amending their respective Acts.

Bill 2 amended The Oil and Gas Resources Conservation Act. The object of the act is to conserve the oil and gas resources, to prevent waste, and to give each owner of petroleum rights the opportunity of obtaining his just and equitable share of production. Waste is now defined and prohibited by the statute. The Conservation Board is now given powers to carry out the object of the Act, and may designate areas as fields and pools, regulate production by restriction, proration or prohibition, require repressuring, recycling or pressure maintenance which mean the return of gas to the well where it is needed to get out the oil, require underground storage of excess gas, and set the amount of gas and oil periodically which may be produced by the pools and the wells in the Province. Before gas can be used except for gas lift in producing oil, conservation measures, fuel or light a permit must be obtained from the Board. Provisions taken from The Natural Gas Utilities Act enable the Board in appropriate cases to declare that those dealing in oil or gas are common purchasers or common carriers. Also transferred from The Natural Gas Utilities Act were powers to order scrubbing plants and connected wells and facilities to gather, buy, sell and treat gas as directed by the Board, to direct purchasers and producers to buy and sell residue gas as directed where it may be done economically, to require producers of gas to continue production or return the product to underground storage, to require absorption plants or owners of gas to dispose of it as directed, and provisions that orders of the Board and provisions of the Act will over-ride any contrary terms in a contract. Where disagreement arises following exercise of these powers it may be settled by reference to the Board of Public Utility Commissioners. The power to regulate pipe lines that are not part of a distributing system to the ultimate consumer was also taken from The Pipe Line Act and put in the Conservation Act. The amending Act provides for hearings by the Board in exercise of its powers and provides the necessary procedural powers. The orders of the Board must have the approval of the Lieutenant Governor in Council.

Amendment was also made to The Public Utilities Act by Bill 3. The Board of Public Utility Commissioners has power of regulation over public utilities including those distributing natural gas to the ultimate consumer. The distribution of bottled gas, such as propane, is excepted. The amending Act empowers the Board to hold hearings and fix charges that may be made by the pipe lines that are common carriers. Powers transferred to this Act from The Natural Gas Utilities Act enable the Board to fix the field prices for natural gas, and the charges of gas processing plants, and to designate the area in which the operator of an absorption plant will be a common purchaser. (These last powers combined with the powers given the Conservation Board in the first two Bills, should go far in keeping down the prices that will be paid by consumers in the Province.)

Bill No. 4 passed by the July session amended The Pipe Line Act. It now provides that when a company is about to construct a pipe line in the Province, a copy of its application for a permit will be filed with the Conservation Board, and that Board's approval will be obtained to the granting of the permit. It also provides that The Board of Public Utility Commissioners may stipulate that until a pipe line is declared a common purchaser by the Conservation Board it will not own or operate wells.

The special session of the Legislative Assembly also passed bills to amend The Life Insurance Company of Alberta Act and to validate an issue of debentures by the City of Calgary. * * *

Alberta's Resources and Industries at a Glance

The Alberta economy rests chiefly on agriculture, mineral deposits—notably coal and petroleum—lumbering and lumber products, livestock and manufacturing.

The following figures show at a glance the state of various Alberta industries in 1948:

Area

Land (Sq. Miles)	Water (Sq. Miles)	Total (Sq. Miles)
248,800	6,485	255,285

Population

846,000—little more than three persons to the square mile.

Total Farming Area in Alberta

	Acres
Agricultural area	100,000,000
Arable land	70,000,000
Non-arable land	30,000,000
DISPOSITION OF ARABLE LAND (70,000,000).	
Occupied farm lands—improved	20,031,655
Occupied farm lands—unimproved	21,419,799
Non-occupied farm land	28,548,546

AGRICULTURE

Allied Industries—Animal Products

Packing Plants

Number of plants	13
Annual value of production	$ 80,000,000
Average number of employees	4,000
Annual Pay Roll	$ 7,000,000

Livestock and Poultry

Cattle and Calves	1,584,300
Sheep and Lambs	448,600
Hogs	833,900
Poultry	10,400,306
Horses	376,000

Leather Goods

(Including Taneries)

Number of plants	12
Annual value of production	$ 300,000
Average number of employees	69
Annual pay roll	$ 80,000

Clothing, Hosiery, Woolens, Knitted Goods, Etc.

Number of plants	36
Annual value of production	$ 5,200,000
Average number of employees	900
Annual pay roll	$ 1,200,000

Wool production—	lbs.	Value
	1,981,000	$519,000

Creameries, Cheese Factories, Etc.

Number of plants		112
Annual value of production		$ 30,000,000
Average number of employees		1,900
Annual pay roll		$ 2,900,000
Creamery butter production	lbs.	32,414,000
Value		$ 21,150,000
Factory cheese production	lbs.	2,566,000
Value		$ 982,000
Concentrated milk	lbs.	14,000,000
Milch cows		327

ALLIED INDUSTRIES

Grain and Vegetable Products

Flour and Feed Mills

Number of mills		100
Annual production of flour	bbl.	4,700,000
Annual production of feed	tons	250,000
Average number of employees		1,100
Annual pay roll		$ 2,100,000

Bakeries

Number of bakeries	200
Value of annual production	$ 8,500,000
Average number of employees	1,100
Annual pay roll	$ 1,850,000

Breakfast Foods, Stock and Poultry

Number of plants	39
Value of annual production	$ 7,000,000
Average number of employees	380
Annual pay roll	$ 550,000

Grain Crops

	Bushels	Value
Wheat	115,000,000	$152,950,000
Oats	75,000,000	45,750,000
Barley	55,000,000	48,950,000
Rye	9,900,000	13,365,000
Peas	1,061,000	796,000
Beans	207,000	528,000

Vegetable Oil Mills

Linseed oil	gallons	1,650,000
Oil cake meal	tons	12,000

Flax

Flaxseed	bus.	2,500,000
Value		$ 9,450,000

Salt

Annual production	tons	35,863
Welhead valuation		$ 426,998
Employees		100

Miscellaneous—Vegetable Products

Number of plants			57
Value of annual production			$ 29,000,000
Average number of employees			2,000
Annual pay roll			$ 3,300,000
Beet pulp	tons		97,000
Sugar production	lbs.		91,275,500
Betalasses	tons		9,243
Canned vegetables	cases		1,400,000

Root Crops

Sugar beets	tons	324,000	$ 1,620,000
Potatoes	cwt.	2,029,000	$ 4,139,000

OTHER NATURAL RESOURCES ALLIED INDUSTRIES

Forests

Forest area	sq. miles	1,106,781
Number of saw mills (not including 300 portable saw mills)		400
Production of lumber	ft. B.M.	390,997,404
Value		$ 17,594,883
Average number of employees		8,000
Annual pay roll		$ 8,000,000
Total forest resources, saw material, pulpwood, cordwood, etc.	cu. ft.	30,000,000,000
Total accessible forest resources	sq miles	59,000

Coal

Number of coal mines		195
Annual production	tons	8,111,000
Value		$ 41,875,000
Average number of employees		8,865
Average pay roll		$ 20,478,150

More than three-quarters of Canada's coal reserves are in Alberta. The estimated total of reserves at present accessible in the Provinc is placed at 46½ billion tons classified as 59 percent bituminous, 23 percent sub-bituminous and 18 percent lignite or domestic.

PETROLEUM AND NATURAL GAS

Average number of employees		1,900
Annual pay roll		$ 4,560,000

Petroleum

Number of wells producing		769
Annual production	bbl.	10,973,583
Value		$ 35,127,761

Alberta produced 90 percent of Canada's petroleum in 1948, but the extent of the reserves remains undetermined.

Natural Gas

Annual production	M. cu. ft.	57,547,000
Value		$ 10,070,861

In 1948 Alberta produced about 90 percent of Canada's natural gas.

Petroleum Products

Number of refineries		10
Annual production	gallons	310,000,000
Value of sales, petroleum products, refined		$ 65,000,000
Average number of employees		750
Annual pay roll		$ 1,600,000

Bituminous Sands

The oil content of these oil-soaked sands has been variously estimated between 100,000 million barrels and 250,000 million barrels. Sixty miles long by 20 miles wide, the exposure is estimated to have an area of some 1,200 square miles, extending from the vicinity of McMurray downstream of the Athabaska to the vicinity of Bitumont where the Alberta government's pilot plant is situated. The deposit is estimated to be 150 to 120 feet thick, and good oil sand is stated to contain 12 percent to 17 percent oil by weight. More conservatively, supposing the average oil content to be only five per-cent it still adds up to a lot of oil.

Total Minerals

Oil, natural gas, coal, bituminous sands, clays, lime, stone, cement, salt, sand, gravel, etc.

Number of plants, excluding refineries	1,100
Value of annual production	$ 92,600,000
Average number of employees	12,000
Annual pay roll	$ 27,000,000

Wild Life

Annual production of furs—	
Number of pelts	1,968,497
Value	2,781,991

Game and Fur

Alberta furs—Ermine, fox, mink, muskrat, beaver, squirrel, etc.

Fur Farms

Number of fur farms	1,393
Annual production of fur—	
Animals pelted	206,267
Value of pelts	$ 2,585,000

Fur Goods

Number of plants	15
Value of annual production	$ 600,000
Average number of employees	126
Annual pay roll	220,000

Commercial Fisheries

Annual production of fish	lb.	9,896,000
Market value		$ 856,000

Alberta fish: Whitefish, trout, perch, tullibee, pickerel, pike, etc.

Central Electric Stations

Number of plants		80
Annual production of electrical energy	Kwh.	650,000,000
Revenue earned		$ 11,000,000
Average number of employees		1,000
Annual pay roll		$ 2,000,000

Water Power

Potential water power in Alberta is given at 463,000 horse power ordinary minimum flow or 1,208,880 horsepower at ordinary six-month flow. Horse power at present developed and in use is given at 107,110.

MISCELLANEOUS STATISTICS

Trade and Commerce

	1947	1948
Manufacturing industries (Value of production)	$ 265,000,000	$ 310,000,000
Wholesale trade	290,000,000	345,000,000
Retail trade	415,000,000	500,000,000
Bank clearings	1,643,301,463	1,951,777,712
Bank debits	3,359,727,031	3,961,078,316
Building permits (4 cities)	27,136,570	46,480,079
Construction—contracts awarded	47,425,100	74,071,700
Customs duty receipts	7,557,171	5,773,968
Highways, gravelled and hard surfaced, miles	11,500	13,830
Railway mileage	5,828	5,805

Geographic Board of Alberta

Names Alberta Cities, Towns, Post Offices, Mountains, Rivers and Creeks

Mount Eisenhower.

He is a rare person who at one time or another while travelling about the Province or reading the newspapers has not said to himself, "Now I wonder how that place ever got a name like that?"

While in the past Alberta place names have come from many sources, the selection of place names today rests largely in the hands of the Geographic Board of Alberta. Established February 6, 1946, by Order in Council, the Board's chief function is to deal with "all questions relating to geographical names within the Province." It consists of four members, Morden H. Long, M.A., professor of history, University of Alberta; Duncan R. Innes, M.A.; John H. Holloway, director of surveys, Department of Public Works; and Mrs. Edith H. Gostick, Provincial librarian. Prof. Long, chairman of the Board, also is a member of the Historic Sites and Monuments Board of Canada. Mrs. Gostick is secretary of the Board.

Work of the Geographic Board of Alberta includes such things as the simplification of names, choosing between various spellings of the same name and selecting new names. In addition it is the Board's object to compile the most extensive and accurate body of information possible on the place names of Alberta. The latter consists chiefly of obtaining and recording information on places already named and adding to this details concerning newly-named places.

It would appear from this that the work of the Board should be a fairly routine, or cut-and-dried, job. This is not the case. In the past a number of agencies have been active in determining place names within the Province. Among these are the Canadian Board on Geographical Names, Post Office Department, railway and other companies, irrigation districts and even private individuals. Consequently a lack of co-ordination has led to a great deal of confusion which the Board must do what it can to amend and, in future, prevent.

Close liaison with these other agencies, particularly the Geographic Board of Canada, is essential and although the Alberta Board has been in existence only a short time its members have been impressed with the present high degree of co-operation. It is hoped that as time passes, any obstacles which at present arise to hinder co-operation will be eliminated.

Just how the name of a long-established town in northern Alberta should or should not be spelled presented the Board with what was probably its most controversial issue. Athabasca to the town council and the Government of Alberta was "Athabaska" to the Canadian Board on Geographical Names and the Northern Alberta Railway Company. Reasoning that the "k" spelling conformed with the general rules for orthography, the Dominion body spelled it that way and the railway company backed them up. Recently full agreement was obtained from all concerned and the accepted official spelling now is Athabasca.

Alberta's history falls into five categories, the time of the explorers, the days of the whisky traders, the golden age of the cattle barons, the era of farm development and the present period of wide industrial expansion. To each of these periods the Province is indebted for a vast number of place names.

From the days of the intrepid explorers come such names as Palliser Range, Mount Brazeau and Mount Hector. To the early fur traders goes credit for Rocky Mountain House, Jasper and Edmonton. The memory of ranching days is preserved by Stavely, Cochrane, De Winton and Stimson. Acheson, Hanna, Kirkpatrick and Mannville commemorate railway officials of the turn of the century when agriculture, largely through the expanding services of the rail lines, was becoming well-established. The present era of industrial expansion also is leaving its mark on the place names of Alberta. Devon, the town that oil built, is probably the best example to date. Where, early in 1947 nothing but rolling fields met the eye, there now stands an ultra-modern town the building of which is an assertion of faith in Alberta as an industrial locale; particularly insofar as petroleum production is concerned.

A number of Alberta centres bear the names of former prominent citizens and even today we find new places being named after leading Provincial figures. For instance, Manning Post Office in northern Alberta was named after the Hon. E. C. Manning, Premier of Alberta.

Many Albertans have commented on the fact that there is a definite paucity of Indian names in the Province. This is true and the shortage has been attributed to the comparatively late period at which the Indians, particularly the Stonies, Crees and Blackfeet, pushed their way into the foothill country. These tribes were essentially prairie people and only retreated to the mountainous country as the advance of the white men made their customary way of living incompatible.

What Indian names the Province does bear have in most cases been preserved in translation. Whether in the original tongue or in translation, however, they are found to refer to physical characteristics of the features named, to incidents of peace and war or to personal associations with a region. Athabasca is Cree for "the place of reeds" and Etzikom is Blackfoot for "valley". Battle River and Peace River mark localities where battles were fought and peace was made. Beaver Hills and Buffalo Lake commemorate where these animals were hunted or trapped.

We owe the principal Indian names to the early explorers. The Palliser, and later expeditions, preserved many that might otherwise have been forgotten.

Alberta has thousands of place names acquired during the past 200 years and at present many more places are being named each year. Today, places are being named after war heroes and other prominent figures. In most instances the Geographic Board of Alberta has jurisdiction over the naming of these places and it is likely that closer liaison with the Canadian Board on Geographical Names and the Post Office Department will, in future, prevent any discord such as arose when Castle Mountain was renamed Mount Eisenhower, without consulting the Alberta Board. * * *

Devon street scene.

"Within Our Borders" is a publication designed to acquaint the people of the Province with the administration and services of the Alberta Government.

It is believed the many and varied services of the Government will be effective in the degree they are known and used. Any material used is for immediate republication.

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